GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2919
ANSWERED ON:15.03.2001
SURPLUS RESOURCES FOR OIL EXPLORATION BY PSUS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is any proposal with public sector oil companies to concentrate their surplus resources on oil exploration rather than marketing strategies;

(b) if so, the present policy in this regard;

(c) whether the major oil PSUs are not contributing their resources for oil exploration;

(d) if so, the steps the Government propose to change this tendency;

(e) whether the Government is unable to get adequate resources for oil exploration; and

(f) if so, the steps proposed to review the spending and investment pattern of oil PSUs?

Answer

Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar)

(a)to(f): Major oil PSUs, viz. Oil & Natural Gas Corporation Ltd. (ONGC), Indian Oil Corporation(IOC), Hindustan Petroleu Corporation Ltd(HPCL), Bharat Petroleum Corporation Ltd.(BPCL) and Gas Authority of India Ltd.(GAIL) are Navratna Compani who take investment decision based on their long and medium range business strategy. To attract investment and technology for oil exploration, Government have introduced New Exploration Licensing Policy (NELP) which envisages that National Oil Companies (NOCs) will compete with Indian and Foreign companies for award of exploration blocks. In the first round of NELP,ONGC, Oil India Ltd. (OIL), IOC and GAIL were successful awardees, either alone or as part of a consortium of exploration blocks. The second round of NELP has been initiated and the bid closing date is 31.3.2001 wherein Oil PSUs will be free to participate. Performance including revenues, expenditure and strategies of Oil PSUs are regularly monitored through Quarterly Progress Review (QPR) etc.